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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re:

L.I.D. LTD.,

Chapter 11  
Case No. 07-10725 (JMP)

Debtor.  
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**SECOND POST-CONFIRMATION REPORT OF THE DISTRIBUTION  
AGENT PURSUANT TO BANKRUPTCY CODE SECTION 1106(a)(7),  
LOCAL RULE 3021 AND THE DEBTOR'S PLAN OF LIQUIDATION**

**TO: HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE**

Consensus Advisors Services LLC (the "Distribution Agent"), the distribution agent appointed in accordance with the confirmed chapter 11 plan of liquidation of L.I.D. Ltd., (the "Debtor"), by its undersigned counsel, respectfully sets forth and represents as follows:

**Background**

1. On March 17, 2007 (the "Filing Date"), the Debtor filed a voluntary petition for relief under chapter 11 the Bankruptcy Code in this Court.
2. On September 16, 2008, the Debtor, through its chief restructuring officer, filed an Amended Plan of Liquidation (the "Plan"). On November 14, 2008, this Court confirmed the Plan.
3. Under the Plan, the Distribution Agent became responsible for winding down the Debtors' affairs, liquidating remaining assets, making the distributions required by the Plan and prosecuting certain lawsuits and avoidance actions on behalf of the Debtor's estate.
4. The Plan became effective on November 25, 2008 (the "Effective Date") and after the Effective Date of the Plan the Distribution Agent paid in full all: (i) administrative claims; (ii) professional fees; and (iii) general unsecured claims, except for the deficiency claims held by the Debtor's pre-petition lenders.

5. All claim objections were resolved prior to the Effective Date.

6. The Distribution Agent files this Post-Confirmation Report to describe the progress that has been made with respect to the consummation of the Plan and the closing of the Debtor's case.

Progress Made Toward Consummation of the Plan

7. The Distribution Agent continues diligently working to recover tax NOL carrybacks of approximately \$100,000 for the tax years 2003 & 2004, and R&D tax credits of approximately \$150,000 for 2003 & 2004. The R&D tax credits are currently subject to an IRS audit. The Distribution Agent is working with Alliantgroup to support the IRS audit. The Distribution Agent cannot predict how long it might take for the tax refunds to be received.

8. As of the date hereof, there are 8 pending adversary proceedings in this Court.

Dated: Jericho, New York  
June 9, 2009

**SILVERMAN ACAMPORA LLP**  
Attorneys for Consensus Advisory  
Services LLC, as Distribution Agent

s/ ADAM L. ROSEN

By: \_\_\_\_\_

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